
**DEPARTMENT
POLICY**

Food assistance groups with countable earnings, as currently defined in the BEM 500 series, are assigned to the simplified reporting (SR) category. This reporting option increases Food Assistance Program (FAP) participation by employed households and provides workload relief.

REQUIREMENTS

Simplified reporting groups are required to report **only** when the group's actual gross monthly income (**not** converted) exceeds the SR income limit for their group size. **No** other change reporting is required.

If the group has an increase in income, the group must determine their total gross income at the end of that month. If the total gross income exceeds the group's SR income limit; see RFT 250, the group must report this change to their specialist by the 10th day of the following month, or the next business day if the 10th day falls on a weekend or holiday. Once assigned to SR, the group remains in SR throughout the current benefit period unless they report changes at their semi-annual contact or redetermination that make them ineligible for SR.

Note: Changes known to the department must be acted on even though the client is required to report only if the group's total gross income exceeds the SR income limit for their group size.

SR does not change reporting requirements for any other program.

The group is still assigned to SR if the person with earned income is a disqualified member.

**WHO IS NOT
ELIGIBLE FOR SR**

The following groups are not eligible for SR:

- Migrants/seasonal farmworkers.
- Homeless.
- Groups with only excluded earnings.
- Food assistance groups without countable earned income.
- Groups with a mandatory TLFA participant.

These groups continue to report changes using the standard Food Assistance reporting criteria; see Bridges Administrative Manual (BAM) 105 and Bridges Eligibility Manual (BEM) 610.

DETERMINING THE INCOME LIMIT

The income limit is 130 percent of the poverty level based on group size. To determine the group's SR income limit, all eligible members of the FAP group are counted; see Reference Tables Manual (RFT) **250**.

Disqualified members are **not** included in the group size when determining the income limit. However, their budgetable income is included in the group's total gross income when comparing to the income limit.

NOTIFICATION

Bridges sends information about simplified reporting including the DHS-1045, Simplified Six Month Review, to groups assigned to the SR category at the following times:

- Application.
- Redetermination.
- When assigned to the SR category as an ongoing case.

Bridges sends the simplified reporting information which explains the reporting requirement and provides the gross monthly income reporting requirements for the group based on their circumstances at the time of issuance. The DHS-1605, Notice of Case Action, sent at application and redetermination includes the specific income limit for the group based on the group size. This information should be emphasized during your discussion with the client to ensure their understanding of the SR requirements.

ASSIGNING BENEFIT PERIODS

Applications and Redeterminations

Groups meeting the SR category at application and redetermination are assigned a 12-month benefit period and are required to have a semi-annual contact. For applications and redeterminations, SR begins the first month of eligibility.

Example: On March 19, a group with earned income applies for FAP. The specialist processes the case on April 2. Benefits are approved beginning March 19. Bridges assigns a benefit period of March 19 through February 28. The DHS-1046, Semi-Annual Contact Report, is sent out the beginning of the fifth month (July) of the benefit period. It is due back from the client on the first day of the sixth month (August.) Complete the budget to affect no later than the seventh month's benefits. At redetermination, the group's reporting requirements are re-evaluated based on their current circumstances. The specialist completes a redetermination in February for March. The benefit period is March 1 through February 28; see BAM 210.

Changes or Beginning SR During a Benefit Period

Bridges shortens the benefit period for ongoing groups who report starting earned income and have more than 12 months left in their benefit period. Bridges does all of the following:

- Sets the end date to 12 full months from the processing date.
- Issues a DHS-1605 explaining simplified reporting, household income limit and the new shortened benefit period end date.
- Issues a DHS-1045, Simplified Six-Month Review.

For groups whose benefit period has less than 12 months remaining at the time earnings are first reported, Bridges assigns the group to the SR category, but does **not** extend the benefit period. The current end date must be retained even though the end date is less than 12 months. If the group remains SR eligible at redetermination, Bridges assigns a new 12-month benefit period.

Example: On August 7, our client reports her husband returned to the group. The group currently follows standard reporting requirements; they are change reporters. The husband has earned income. The current benefit period end date is May 31. On August 17, the specialist processes the case change, Bridges issues simplified reporting requirements including a DHS-1045 and the end date remains May 31.

Once assigned to the SR category, groups retain their 12-month benefit period regardless of household changes, until the next benefit period is established.

If the group reports they are now homeless or they have stopped earnings, make all appropriate changes in Bridges and run Eligibility Determination Benefit Calculation (EDBC). However, they remain in SR until the semi-annual contact or redetermination. Their report status will change to a change reporter in:

- Month six for changes reported in months one through six of the benefit period (if they are still considered a change reporter).
- Month 12 for changes reported in months 7-12 (if they are still considered a change reporter).

PROCESSING CHANGES AND CASE ACTIONS

Benefit Increases/ Decreases

Timely action (within 10 days or other time frame specified in policy) **must** be taken on **all** reported changes such as applying for another program, regardless of whether the client is required to report the change; see BAM 220.

Processing Changes Reported on a DHS-1046, Semi-Annual Contact Report

When processing the DHS-1046 adequate notice is given for all discovered changes. These include changes such as automated system matches (consolidated inquiry, State On-line Query (SOLQ), reported for other programs and/or reported on the DHS-1046. Complete the budget to affect no later than the 7th month's benefits. Changes reported on the DHS-1046 and discovered through checking the automated system matches must be acted upon for all other programs according to case action policy in BAM 220.

Note: The Work Number is **not** an automated system match which must be checked at application, redetermination, semi-annual or

mid-certification contact. The client has primary responsibility for obtaining verification. However, if for example, verification of income is not available because the employer uses the Work Number and won't provide the employment information, it is appropriate to use the Work Number.

Do not deny or terminate assistance because an employer or other source refuses to verify income; see BAM 130, **VERIFICATION AND COLLATERAL CONTACTS**, and BEM 702, **CDC VERIFICATIONS**.

SPECIAL INCOME CONSIDERATION

Income considered unpredictable such as on-call hours remains budgeted until, based on reporting requirements, the client determines a change should be reported, or the next redetermination/semi-annual contact, whichever occurs first.

Contractual income that is ending prior to the benefit period end date will be considered verified upon initial report. Because the income is averaged over the period it is intended to cover, the end date has already been verified. Post a follow-up to remove the income for the subsequent month.

If the group reports that their gross income exceeds 130 percent of the poverty level but they remain eligible, they will be advised they are not required to report any other changes in income until their next redetermination/semi-annual contact.

LOSS OF EMPLOYMENT

Specialists must investigate the loss of employment at redetermination/semi-annual contact to determine if a voluntary quit has occurred. If the person does **not** meet the work requirement or good cause does **not** exist, a minimum one month disqualification must be served; see BEM 233B.

OVERISSUANCE/ UNDERISSUANCE AND SR

The only client error overissuances related to simplified reporting that can occur for FAP groups in SR are when the group fails to report that income exceeds the group's SR income limit, or the client voluntarily reports inaccurate information. For failure to report

income over the limit, the first month of the overissuance is two months after the actual monthly income exceeded the limit. Groups report if their actual income for a month exceeds 130 percent of poverty level. QC uses the actual income when determining whether a client should have reported; see BAM 715.

Example: The group's income for September exceeded the SR income limit. The group should have reported this by October 10th. The decrease would have been effective in November. November is the first month of the overissuance.

SR does **not** affect client errors that occur at application and re-determination. SR does **not** affect the determination of agency error overissuances.

OQA AND SR

To review a case under simplified reporting rules rather than change reporting rules, the following must be true:

- The case must have had earned income when it was put into SR.
- The case must be an SR eligible group; see **Who is Not Eligible for SR** in this item.
- The benefit period must be properly set; see **Assigning Benefit Periods** in this item.

LEGAL BASE

7 CFR 273.12